



CITY OF DURHAM | NORTH CAROLINA

Date: 5/22/12

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Kevin Dick, Director of Economic and Workforce Development
Nicholas McCoy, Senior Workforce Development Manager

Subject: Amendment to the City of Durham Employment and Training 2011-2013 Grant Project Ordinance #14216

Executive Summary

This item amends the City of Durham Employment and Training 2011-2013 Grant Project Ordinance #14216.

The amendment reflects a total increase of \$213,860.00 in available Workforce Investment Act (WIA) Administration, Adult, Dislocated Worker, and Technical Assistance funds for On-the-Job Training (OJT) resulting in a new total of \$2,027,250.00. Line-item revisions to the 2011-2013 budget have made this amendment necessary to maintain an overall balanced budget.

Recommendation

Staff recommends that City Council authorize the City Manager to accept the "Employment and Training Grant" by executing the grant documents and adopting the "City of Durham Employment and Training 2011-2013 Grant Project Ordinance" in the amount of \$2,027,250.00, superseding Grant Project Ordinance #14216.

Background

The Office of Economic and Workforce Development (OEWD) receives Notices of Fund Availability (NFAs) from the North Carolina Department of Commerce, *Division of Workforce Solutions* (DWS), periodically during the year as additional funding becomes available or when special funding is awarded. Funds received are added to the City of Durham *Employment and Training* grant project ordinances to provide workforce development services to Durham residents and businesses.

To date, OEWD has received NFAs from DWS totaling \$2,027,250.00 for 2011-2013 to implement and/or administer federally funded WIA programs for eligible youth, adults, dislocated workers; and to support training opportunities for existing employees.

Note: On April 4th, OEWD received a NFA from DWS with the revised October portion of our WIA Adult and Dislocated Worker allocation for FY12. It is standard practice that DWS

provides two allotments of the WIA allocation throughout a fiscal year- a July portion (25%) and an October portion (remaining 75%). The revised allotment for FY12 has caused OEWD to amend Grant Project Ordinance #14216 which reflects an overall increase of \$213,860.00 in available WIA funds from the 2011-2013 *City of Durham Employment and Training* program budget from \$1,813,390.00 to \$2,027,250.00.

Issues/Analysis

To accurately reflect an increase of \$213,860.00 in available FY12 WIA funds, an amended City of Durham Employment and Training 2011 - 2013 Grant Project Ordinance in the amount of \$2,027,250.00 has been prepared to supersede Grant Project Ordinance # #14216.

OEWD received NFAs for use in the following areas:

WIA Adult and Dislocated Worker

OEWD received the addition of \$12,474.00 in WIA Adult and Dislocated Worker funds to provide employment and training services for adults 18 years of age or older who are unemployed/underemployed or "Laid Off", to receive career counseling, occupational skills training, job placement supports, and case management services to help participants successfully obtain long-term and sustainable employment. The addition of these dollars has increased the combined WIA Adult and Dislocated Worker budget for FY12 by \$12,474.00 from \$1,097,012.00 to \$1,109,486.00. OEWD will utilize these additional dollars to fund subsidized Work Experience opportunities for eligible participants of the WIA Adult and Dislocated Worker program. Note: OEWD also received an additional \$1,386.00 (approximately 10% of the additional Adult and Dislocated Worker allocation) in an administration line-item for FY12 to administer these funds.

WIA Technical Assistance

OEWD has received \$200,000.00 in WIA Technical Assistance funds to be used in the following area:

On April 12, 2012, OEWD also received a NFA from DWS in the amount of \$200,000.00 in WIA Technical Assistance funds that were awarded to the City of Durham to provide additional on-the-job training subsidies to help offset costs for Durham businesses to hire long-term unemployed participants of the WIA Adult and Dislocated ("Laid-off") Worker program.

Note: OEWD is recommending that \$190,000.00 in OJT funds be added to the WIA Adult and Dislocated Worker contract with GMSI Inc. This recommendation is concurrently going before City Council in a separate memorandum and contract amendment that will be reviewed by City Council at their June 18, 2012 meeting.

Alternatives

Council may choose to not approve the Grant Project Ordinance, as amended, or may choose to approve specific line items within the amended Grant Project Ordinance.

If Council chooses not to approve the amended Grant Project Ordinance, OEWD would have a lower operating budget and be less able to implement the employment and training objectives outlined in the Issues/Analysis section.

Financial Impact

WIA funds are federal formula dollars administered by OEWD. Funding or not funding this item will have no impact on the City's general fund.

This item will increase the City of Durham 2011-2013 Employment and Training Grant Project Ordinance by \$213,860.00 from \$1,813,390.00 to \$2,027,250.00.

SDBE Summary

An SDBE summary is inapplicable because no project-specific goals have been set and no SDBE's are involved in this item.

Attachments

Attached: City of Durham Employment and Training 2011-2013 Grant Project Ordinance Superseding Grant Project Ordinance #14216, 1 Page.